

provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''

(b) **ALTERNATIVE TRIGGER.**—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

“(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word 'both' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).”

#### Subtitle B—Small Business

##### SEC. 811. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) **IN GENERAL.**—Paragraph (4) of section 1202(a) is amended—

(1) by striking “January 1, 2011” and inserting “January 1, 2012”, and

(2) by inserting “AND 2011” after “2010” in the heading thereof.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to stock acquired after December 31, 2010.

##### SEC. 812. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES CARRIED BACK 5 YEARS.

(a) **IN GENERAL.**—Subparagraph (A) of section 39(a)(4) is amended by inserting “or 2011” after “2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to credits determined in taxable years beginning after December 31, 2010.

##### SEC. 813. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.

(a) **IN GENERAL.**—Paragraph (5) of section 38(c) is amended—

(1) by inserting “or 2011” after “2010” in subparagraph (A), and

(2) by inserting “OR 2011” after “2010” in the heading thereof.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2010, and to carrybacks of such credits.

##### SEC. 814. EXTENSION OF INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES.

(a) **START-UP EXPENDITURES.**—Paragraph (3) of section 195(b) is amended—

(1) by inserting “or 2011” after “2010”, and

(2) by inserting “OR 2011” after “2010” in the heading thereof.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2010.

##### SEC. 815. EXTENSION OF DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES.

(a) **IN GENERAL.**—Paragraph (4) of section 162(l) is amended by striking “December 31, 2010” and inserting “December 31, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

#### Subtitle C—Energy

##### SEC. 821. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) **EXTENSION OF CREDIT.**—Paragraph (2) of section 30C(g) is amended by striking “December 31, 2010” and inserting “December 31, 2011”.

(b) **CLARIFICATION OF DEFINITION OF ELECTRIC REFUELING PROPERTY.**—Subparagraph (B) of section 179A(d)(3) is amended to read as follows:

“(B) exclusively used for the recharging of motor vehicles propelled by electricity (other than property used for the generation of electricity).”

(c) **EFFECTIVE DATES.**—

(1) **EXTENSION.**—The amendment made by subsection (a) shall apply to property placed in service after December 31, 2010.

(2) **CLARIFICATION.**—The amendment made by subsection (b) shall apply to property placed in service after the date of the enactment of this Act.

##### SEC. 822. ELECTIVE PAYMENT FOR SPECIFIED ENERGY PROPERTY.

(a) **IN GENERAL.**—Chapter 65 is amended by adding at the end the following new subchapter:

#### “Subchapter C—Direct Payment Provisions

“Sec. 6451. Elective payment for specified energy property.

##### “SEC. 6451. ELECTIVE PAYMENT FOR SPECIFIED ENERGY PROPERTY.

“(a) **ELECTIVE PAYMENT.**—

“(1) **IN GENERAL.**—Any eligible person electing the application of this section with respect to any specified energy property originally placed in service by such person during the taxable year shall be treated as making a payment against the tax imposed by subtitle A for the taxable year equal to the applicable percentage of the basis of such property. Such payment shall be treated as made on the later of the due date of the return of such tax or the date on which such return is filed.

“(2) **ELIGIBILITY.**—A person shall not be eligible to elect the application of this section unless such person has been certified as eligible by the Secretary, under such rules as the Secretary, in consultation with the Secretary of Energy, may prescribe.

“(b) **APPLICABLE PERCENTAGE.**—For purposes of this section, the term ‘applicable percentage’ means—

“(1) 30 percent in the case of any property described in paragraph (2)(A)(i) or (5) of section 48(a), and

“(2) 10 percent in the case of any other property.

“(c) **DOLLAR LIMITATIONS.**—In the case of property described in paragraph (1), (2), or (3) of section 48(c), the payment otherwise treated as made under subsection (a) with respect to such property shall not exceed the limitation applicable to such property under such paragraph.

“(d) **SPECIFIED ENERGY PROPERTY.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘specified energy property’ means energy property (within the meaning of section 48) which—

“(A) is originally placed in service before January 1, 2012, or

“(B) is originally placed in service on or after such date and before the credit termination date with respect to such property, but only if the construction of such property began before January 1, 2012.

“(2) **CREDIT TERMINATION DATE.**—The term ‘credit termination date’ means—

“(A) in the case of any energy property which is part of a facility described in paragraph (1) of section 45(d), January 1, 2013,

“(B) in the case of any energy property which is part of a facility described in paragraph (2), (3), (4), (6), (7), (9), or (11) of section 45(d), January 1, 2014, and

“(C) in the case of any energy property described in section 48(a)(3), January 1, 2017.

In the case of any property which is described in subparagraph (C) and also in another subparagraph of this paragraph, subparagraph (C) shall apply with respect to such property.

“(e) **COORDINATION WITH PRODUCTION AND INVESTMENT CREDITS.**—In the case of any property with respect to which an election is made under this section—

“(1) **DENIAL OF PRODUCTION AND INVESTMENT CREDITS.**—No credit shall be determined under section 45 or 48 with respect to such property for the taxable year in which such property is originally placed in service or any subsequent taxable year.

“(2) **REDUCTION OF PAYMENT BY PROGRESS EXPENDITURES ALREADY TAKEN INTO ACCOUNT.**—The amount of the payment treated as made under subsection (a) with respect to such property shall be reduced by the aggregate amount of credits determined under section 48 with respect to such property for all taxable years preceding the taxable year in which such property is originally placed in service.

“(f) **SPECIAL RULES FOR CERTAIN NON-TAXPAYERS.**—

“(1) **DENIAL OF PAYMENT.**—Subsection (a) shall not apply with respect to any property originally placed in service by—

“(A) any governmental entity other than a governmental unit which is a State utility with a service obligation (as such terms are defined in section 217 of the Federal Power Act), or

“(B) any organization described in section 501(c) (other than a mutual or cooperative electric company described in section 501(c)(12)) or 401(a) and exempt from tax under section 501(a).

“(2) **EXCEPTION FOR PROPERTY USED IN UNRELATED TRADE OR BUSINESS.**—Paragraph (1) shall not apply with respect to any property originally placed in service by an entity described in section 511(a)(2) if substantially all of the income derived from such property by such entity is unrelated business taxable income (as defined in section 512).

“(3) **SPECIAL RULES FOR PARTNERSHIPS AND S CORPORATIONS.**—In the case of property originally placed in service by a partnership or an S corporation—

“(A) the election under subsection (a) may be made only by such partnership or S corporation,

“(B) such partnership or S corporation shall be treated as making the payment referred to in subsection (a) only to the extent of the proportionate share of such partnership or S corporation as is owned by persons who would be treated as making such payment if the property were originally placed in service by such persons, and

“(C) the return required to be made by such partnership or S corporation under section 6031 or 6037 (as the case may be) shall be treated as a return of tax for purposes of subsection (a).

For purposes of subparagraph (B), rules similar to the rules of section 168(h)(6) (other than subparagraph (F) thereof) shall apply. For purposes of applying such rules, the term ‘tax-exempt entity’ shall not include any entity which is a governmental unit which is a State utility with a service obligation (as such terms are defined in section 217 of the Federal Power Act) or which is a mutual or cooperative electric company described in section 501(c)(12).

“(g) **OTHER DEFINITIONS AND SPECIAL RULES.**—For purposes of this section—

“(1) **OTHER DEFINITIONS.**—Terms used in this section which are also used in section 45 or 48 shall have the same meanings for purposes of this section as when used in such sections.